

Senate File 385 - Introduced

SENATE FILE 385

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A BILL FOR

1 An Act relating to the production or manufacture of goods
2 retained within the state of Iowa and applicable federal
3 authority, providing penalties, and including applicability
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 554E.1 Short title.

2 This chapter may be cited as the "*Intrastate Commerce Act*".

3 Sec. 2. NEW SECTION. 554E.2 Legislative intent.

4 The general assembly finds the following:

5 1. The tenth amendment to the Constitution of the United
6 States codifies in law that the only powers which the federal
7 government may exercise are those that have been delegated to
8 it in the Constitution of the United States.

9 2. The ninth amendment to the Constitution of the United
10 States guarantees to the people rights not enumerated in the
11 Constitution and reserves to the people those rights.

12 3. Under Article I, section 8, clause 3, of the Constitution
13 of the United States, the federal government is empowered to
14 regulate commerce among the several states.

15 4. The power to regulate intrastate commerce is reserved to
16 the states or the people under the ninth and tenth amendments
17 to the Constitution of the United States.

18 5. During the constitutional convention, the founders
19 considered a plan which would have authorized the federal
20 government to not only regulate commerce among the several
21 states, but also any activity having spillover effects across
22 state lines, and they rejected it.

23 Sec. 3. NEW SECTION. 554E.3 Iowa goods retained in-state —
24 federal regulation — inapplicability.

25 1. As used in this chapter, unless the context otherwise
26 requires:

27 a. "*Goods*" means all real or personal, tangible or
28 intangible property, regardless of the date of origin,
29 manufacture, or creation.

30 b. "*Produced*" means grown, mined, extracted, or created.

31 2. All goods produced or manufactured, whether commercially
32 or privately, within the boundaries of this state that are
33 held, maintained, or retained within the boundaries of this
34 state shall not be deemed to have traveled in interstate
35 commerce and shall not be subject to federal law, federal

1 regulation, or the authority of the Congress of the United
2 States under its constitutional power to regulate commerce
3 among the states. This chapter shall apply to goods that are
4 manufactured within this state from basic materials or parts.
5 The authority of the Congress of the United States to regulate
6 interstate commerce in basic materials or parts shall not
7 include the authority to regulate goods manufactured within
8 this state from such materials or parts.

9 3. This chapter shall not apply to the following:

10 a. Goods manufactured within this state unless the words
11 "made in Iowa" are clearly stamped or marked on an integral
12 part of the good.

13 b. Goods produced within this state unless the words
14 "product of Iowa" are clearly stamped or marked on the
15 container or packaging.

16 c. Goods ordered, procured, or purchased by the United
17 States government or by any contractor pursuant to an agreement
18 with the United States government.

19 Sec. 4. NEW SECTION. 554E.4 Penalties.

20 1. Any official, agent, or employee of the United States
21 government or any employee of a corporation providing services
22 to the United States government that enforces or attempts to
23 enforce an Act, order, law, statute, rule, or regulation of the
24 government of the United States in violation of this Act shall
25 be guilty of a class "D" felony.

26 2. Any public officer or employee of this state that
27 enforces or attempts to enforce an Act, order, law, statute,
28 rule, or regulation of the government of the United States in
29 violation of this Act shall be guilty of a serious misdemeanor.

30 Sec. 5. APPLICABILITY.

31 1. This Act applies to goods held, maintained, or retained
32 within the boundaries of the state that have been produced or
33 manufactured within this state at any time before, on, or after
34 July 1, 2011.

35 2. Notwithstanding subsection 1, the section of this Act

1 enacting section 554E.4, prescribing penalties for a violation
2 of the Act's provisions, applies only to violations occurring
3 on or after July 1, 2011.

4

EXPLANATION

5 This bill relates to the production or manufacture of goods
6 retained within the state of Iowa and federal regulatory
7 authority.

8 The bill provides legislative intent regarding the retention
9 and delegation of powers in the United States Constitution,
10 and states that the power to regulate intrastate commerce is
11 reserved to the states or the people under the ninth and tenth
12 amendments to the Constitution. The bill also states that
13 during the constitutional convention, the founders considered
14 a plan which would have authorized the federal government to
15 not only regulate commerce among the several states, but also
16 any activity having spillover effects across state lines, and
17 rejected it.

18 The bill provides definitions. The bill defines "goods" to
19 mean all real or personal, tangible or intangible property,
20 regardless of the date of origin, manufacture, or creation.
21 The bill defines "produced" to mean grown, mined, extracted,
22 or created.

23 The bill states that all goods produced or manufactured
24 either commercially or privately within Iowa that are held,
25 maintained, or retained within Iowa shall not be deemed to
26 have traveled in interstate commerce and therefore shall
27 not be subject to federal law, federal regulation, or the
28 constitutional authority of the Congress of the United States
29 to regulate interstate commerce. The bill provides that
30 this only applies to goods that are manufactured within Iowa
31 from basic materials or parts. The bill further provides
32 that protection from federal regulation shall be confined
33 to goods manufactured within Iowa which have "made in Iowa"
34 clearly stamped or marked on an integral part, or produced in
35 Iowa unless the words "product of Iowa" are clearly stamped

1 or marked on the container or packaging. The bill further
2 provides that goods ordered, procured, or purchased by the
3 United States government or by any contractor pursuant to an
4 agreement with the United States government are not included in
5 the protection from federal regulation.

6 The bill specifies that any official, agent, or employee of
7 the United States government or any employee of a corporation
8 providing services to the United States government that
9 enforces or attempts to enforce an Act, order, law, statute,
10 rule, or regulation of the government of the United States in
11 violation of the bill's provisions shall be guilty of a class
12 "D" felony. A class "D" felony is punishable by confinement
13 for no more than five years and a fine of at least \$750 but not
14 more than \$7,500. The bill further specifies that a public
15 officer or employee of this state that enforces or attempts to
16 enforce an Act, order, law, statute, rule, or regulation of the
17 government of the United States in violation of the bill shall
18 be guilty of a serious misdemeanor. A serious misdemeanor is
19 punishable by confinement for no more than one year and a fine
20 of at least \$315 but not more than \$1,875.

21 The bill applies to goods held, maintained, or retained
22 within the boundaries of the state that have been produced or
23 manufactured within this state at any time before, on, or after
24 July 1, 2011. Penalty provisions apply only to violations
25 occurring on or after July 1, 2011.